

Exhibit 6

Excerpts of HERA Statute

PUBLIC LAW 110-289—JULY 30, 2008

HOUSING AND ECONOMIC RECOVERY ACT
OF 2008

122 STAT. 2654

PUBLIC LAW 110–289—JULY 30, 2008

Public Law 110–289
110th Congress

An Act

July 30, 2008

[H.R. 3221]

Housing and
Economic
Recovery Act
of 2008.
42 USC 4501
note.

To provide needed housing reform and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Housing and
Economic Recovery Act of 2008”.

(b) **TABLE OF CONTENT.**—The table of contents for this Act
is as follows:

Sec. 1. Short title; table of contents.

DIVISION A—HOUSING FINANCE REFORM

Sec. 1001. Short title.

Sec. 1002. Definitions.

TITLE I—REFORM OF REGULATION OF ENTERPRISES

Subtitle A—Improvement of Safety and Soundness Supervision

Sec. 1101. Establishment of the Federal Housing Finance Agency.

Sec. 1102. Duties and authorities of the Director.

Sec. 1103. Federal Housing Finance Oversight Board.

Sec. 1104. Authority to require reports by regulated entities.

Sec. 1105. Examiners and accountants; authority to contract for reviews of regu-
lated entities; ombudsman.

Sec. 1106. Assessments.

Sec. 1107. Regulations and orders.

Sec. 1108. Prudential management and operations standards.

Sec. 1109. Review of and authority over enterprise assets and liabilities.

Sec. 1110. Risk-based capital requirements.

Sec. 1111. Minimum capital levels.

Sec. 1112. Registration under the securities laws.

Sec. 1113. Prohibition and withholding of executive compensation.

Sec. 1114. Limit on golden parachutes.

Sec. 1115. Reporting of fraudulent loans.

Sec. 1116. Inclusion of minorities and women; diversity in Agency workforce.

Sec. 1117. Temporary authority for purchase of obligations of regulated entities by
Secretary of Treasury.

Sec. 1118. Consultation between the Director of the Federal Housing Finance Agen-
cy and the Board of Governors of the Federal Reserve System to ensure
financial market stability .

Subtitle B—Improvement of Mission Supervision

Sec. 1121. Transfer of program approval and housing goal oversight.

Sec. 1122. Assumption by the Director of certain other HUD responsibilities.

Sec. 1123. Review of enterprise products.

Sec. 1124. Conforming loan limits.

Sec. 1125. Annual housing report.

Sec. 1126. Public use database.

Sec. 1127. Reporting of mortgage data.

Sec. 1128. Revision of housing goals.

Sec. 1129. Duty to serve underserved markets.

Sec. 1130. Monitoring and enforcing compliance with housing goals.

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- Sec. 1131. Affordable housing programs.
- Sec. 1132. Financial education and counseling.
- Sec. 1133. Transfer and rights of certain HUD employees.

Subtitle C—Prompt Corrective Action

- Sec. 1141. Critical capital levels.
- Sec. 1142. Capital classifications.
- Sec. 1143. Supervisory actions applicable to undercapitalized regulated entities.
- Sec. 1144. Supervisory actions applicable to significantly undercapitalized regulated entities.
- Sec. 1145. Authority over critically undercapitalized regulated entities.

Subtitle D—Enforcement Actions

- Sec. 1151. Cease and desist proceedings.
- Sec. 1152. Temporary cease and desist proceedings.
- Sec. 1153. Removal and prohibition authority.
- Sec. 1154. Enforcement and jurisdiction.
- Sec. 1155. Civil money penalties.
- Sec. 1156. Criminal penalty.
- Sec. 1157. Notice after separation from service.
- Sec. 1158. Subpoena authority.

Subtitle E—General Provisions

- Sec. 1161. Conforming and technical amendments.
- Sec. 1162. Presidentially-appointed directors of enterprises.
- Sec. 1163. Effective date.

TITLE II—FEDERAL HOME LOAN BANKS

- Sec. 1201. Recognition of distinctions between the enterprises and the Federal Home Loan Banks.
- Sec. 1202. Directors.
- Sec. 1203. Definitions.
- Sec. 1204. Agency oversight of Federal Home Loan Banks.
- Sec. 1205. Housing goals.
- Sec. 1206. Community development financial institutions.
- Sec. 1207. Sharing of information among Federal Home Loan Banks.
- Sec. 1208. Exclusion from certain requirements.
- Sec. 1209. Voluntary mergers.
- Sec. 1210. Authority to reduce districts.
- Sec. 1211. Community financial institution members.
- Sec. 1212. Public use database; reports to Congress.
- Sec. 1213. Semiannual reports.
- Sec. 1214. Liquidation or reorganization of a Federal Home Loan Bank.
- Sec. 1215. Study and report to Congress on securitization of acquired member assets.
- Sec. 1216. Technical and conforming amendments.
- Sec. 1217. Study on Federal Home Loan Bank advances.
- Sec. 1218. Federal Home Loan Bank refinancing authority for certain residential mortgage loans.

TITLE III—TRANSFER OF FUNCTIONS, PERSONNEL, AND PROPERTY OF
OFHEO AND THE FEDERAL HOUSING FINANCE BOARD

Subtitle A—OFHEO

- Sec. 1301. Abolishment of OFHEO.
- Sec. 1302. Continuation and coordination of certain actions.
- Sec. 1303. Transfer and rights of employees of OFHEO.
- Sec. 1304. Transfer of property and facilities.

Subtitle B—Federal Housing Finance Board

- Sec. 1311. Abolishment of the Federal Housing Finance Board.
- Sec. 1312. Continuation and coordination of certain actions.
- Sec. 1313. Transfer and rights of employees of the Federal Housing Finance Board.
- Sec. 1314. Transfer of property and facilities.

TITLE IV—HOPE FOR HOMEOWNERS

- Sec. 1401. Short title.
- Sec. 1402. Establishment of HOPE for Homeowners Program.
- Sec. 1403. Fiduciary duty of servicers of pooled residential mortgage loans.
- Sec. 1404. Revised standards for FHA appraisers.

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TITLE V—S.A.F.E. MORTGAGE LICENSING ACT

- Sec. 1501. Short title.
- Sec. 1502. Purposes and methods for establishing a mortgage licensing system and registry.
- Sec. 1503. Definitions.
- Sec. 1504. License or registration required.
- Sec. 1505. State license and registration application and issuance.
- Sec. 1506. Standards for State license renewal.
- Sec. 1507. System of registration administration by Federal agencies.
- Sec. 1508. Secretary of Housing and Urban Development backup authority to establish a loan originator licensing system.
- Sec. 1509. Backup authority to establish a nationwide mortgage licensing and registry system.
- Sec. 1510. Fees.
- Sec. 1511. Background checks of loan originators.
- Sec. 1512. Confidentiality of information.
- Sec. 1513. Liability provisions.
- Sec. 1514. Enforcement under HUD backup licensing system.
- Sec. 1515. State examination authority.
- Sec. 1516. Reports and recommendations to Congress.
- Sec. 1517. Study and reports on defaults and foreclosures.

TITLE VI—MISCELLANEOUS

- Sec. 1601. Study and reports on guarantee fees.
- Sec. 1602. Study and report on default risk evaluation.
- Sec. 1603. Conversion of HUD contracts.
- Sec. 1604. Bridge depository institutions.
- Sec. 1605. Sense of the Senate.

DIVISION B—FORECLOSURE PREVENTION

- Sec. 2001. Short title.
- Sec. 2002. Emergency designation.

TITLE I—FHA MODERNIZATION ACT OF 2008

- Sec. 2101. Short title.

Subtitle A—Building American Homeownership

- Sec. 2111. Short title.
- Sec. 2112. Maximum principal loan obligation.
- Sec. 2113. Cash investment requirement and prohibition of seller-funded down payment assistance.
- Sec. 2114. Mortgage insurance premiums.
- Sec. 2115. Rehabilitation loans.
- Sec. 2116. Discretionary action.
- Sec. 2117. Insurance of condominiums.
- Sec. 2118. Mutual Mortgage Insurance Fund.
- Sec. 2119. Hawaiian home lands and Indian reservations.
- Sec. 2120. Conforming and technical amendments.
- Sec. 2121. Insurance of mortgages.
- Sec. 2122. Home equity conversion mortgages.
- Sec. 2123. Energy efficient mortgages program.
- Sec. 2124. Pilot program for automated process for borrowers without sufficient credit history.
- Sec. 2125. Homeownership preservation.
- Sec. 2126. Use of FHA savings for improvements in FHA technologies, procedures, processes, program performance, staffing, and salaries.
- Sec. 2127. Post-purchase housing counseling eligibility improvements.
- Sec. 2128. Pre-purchase homeownership counseling demonstration.
- Sec. 2129. Fraud prevention.
- Sec. 2130. Limitation on mortgage insurance premium increases.
- Sec. 2131. Savings provision.
- Sec. 2132. Implementation.
- Sec. 2133. Moratorium on implementation of risk-based premiums.

Subtitle B—Manufactured Housing Loan Modernization

- Sec. 2141. Short title.
- Sec. 2142. Purposes.
- Sec. 2143. Exception to limitation on financial institution portfolio.
- Sec. 2144. Insurance benefits.
- Sec. 2145. Maximum loan limits.

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- Sec. 2146. Insurance premiums.
- Sec. 2147. Technical corrections.
- Sec. 2148. Revision of underwriting criteria.
- Sec. 2149. Prohibition against kickbacks and unearned fees.
- Sec. 2150. Leasehold requirements.

TITLE II—MORTGAGE FORECLOSURE PROTECTIONS FOR
SERVICEMEMBERS

- Sec. 2201. Temporary increase in maximum loan guaranty amount for certain housing loans guaranteed by the Secretary of Veterans Affairs.
- Sec. 2202. Counseling on mortgage foreclosures for members of the Armed Forces returning from service abroad.
- Sec. 2203. Enhancement of protections for servicemembers relating to mortgages and mortgage foreclosures.

TITLE III—EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF
ABANDONED AND FORECLOSED HOMES

- Sec. 2301. Emergency assistance for the redevelopment of abandoned and foreclosed homes.
- Sec. 2302. Nationwide distribution of resources.
- Sec. 2303. Limitation on use of funds with respect to eminent domain.
- Sec. 2304. Limitation on distribution of funds.
- Sec. 2305. Counseling intermediaries.

TITLE IV—HOUSING COUNSELING RESOURCES

- Sec. 2401. Housing counseling resources.
- Sec. 2402. Credit counseling.

TITLE V—MORTGAGE DISCLOSURE IMPROVEMENT ACT

- Sec. 2501. Short title.
- Sec. 2502. Enhanced mortgage loan disclosures.
- Sec. 2503. Community Development Investment Authority for depository institutions.

TITLE VI—VETERANS HOUSING MATTERS

- Sec. 2601. Home improvements and structural alterations for totally disabled members of the Armed Forces before discharge or release from the Armed Forces.
- Sec. 2602. Eligibility for specially adapted housing benefits and assistance for members of the Armed Forces with service-connected disabilities and individuals residing outside the United States.
- Sec. 2603. Specially adapted housing assistance for individuals with severe burn injuries.
- Sec. 2604. Extension of assistance for individuals residing temporarily in housing owned by a family member.
- Sec. 2605. Increase in specially adapted housing benefits for disabled veterans.
- Sec. 2606. Report on specially adapted housing for disabled individuals.
- Sec. 2607. Report on specially adapted housing assistance for individuals who reside in housing owned by a family member on permanent basis.
- Sec. 2608. Definition of annual income for purposes of section 8 and other public housing programs.
- Sec. 2609. Payment of transportation of baggage and household effects for members of the Armed Forces who relocate due to foreclosure of leased housing.

TITLE VII—SMALL PUBLIC HOUSING AUTHORITIES PAPERWORK
REDUCTION ACT

- Sec. 2701. Short title.
- Sec. 2702. Public housing agency plans for certain qualified public housing agencies.

TITLE VIII—HOUSING PRESERVATION

Subtitle A—Preservation Under Federal Housing Programs

- Sec. 2801. Clarification of disposition of certain properties.
- Sec. 2802. Eligibility of certain projects for enhanced voucher assistance.
- Sec. 2803. Transfer of certain rental assistance contracts.
- Sec. 2804. Public housing disaster relief.
- Sec. 2805. Preservation of certain affordable housing.

Subtitle B—Coordination of Federal Housing Programs and Tax Incentives for
Housing

- Sec. 2831. Short title.

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- Sec. 2832. Approvals by Department of Housing and Urban Development.
- Sec. 2833. Project approvals by rural housing service.
- Sec. 2834. Use of FHA loans with housing tax credits.
- Sec. 2835. Other HUD programs.

TITLE IX—MISCELLANEOUS

- Sec. 2901. Homeless assistance.
- Sec. 2902. Increasing access and understanding of energy efficient mortgages.

DIVISION C—TAX-RELATED PROVISIONS

- Sec. 3000. Short title; etc.

TITLE I—HOUSING TAX INCENTIVES

Subtitle A—Multi-Family Housing

PART I—LOW-INCOME HOUSING TAX CREDIT

- Sec. 3001. Temporary increase in volume cap for low-income housing tax credit.
- Sec. 3002. Determination of credit rate.
- Sec. 3003. Modifications to definition of eligible basis.
- Sec. 3004. Other simplification and reform of low-income housing tax incentives.
- Sec. 3005. Treatment of military basic pay.

PART II—MODIFICATIONS TO TAX-EXEMPT HOUSING BOND RULES

- Sec. 3007. Recycling of tax-exempt debt for financing residential rental projects.
- Sec. 3008. Coordination of certain rules applicable to low-income housing credit and qualified residential rental project exempt facility bonds.

PART III—REFORMS RELATED TO THE LOW-INCOME HOUSING CREDIT AND TAX-EXEMPT HOUSING BONDS

- Sec. 3009. Hold harmless for reductions in area median gross income.
- Sec. 3010. Exception to annual current income determination requirement where determination not relevant.

Subtitle B—Single Family Housing

- Sec. 3011. First-time homebuyer credit.
- Sec. 3012. Additional standard deduction for real property taxes for nonitemizers.

Subtitle C—General Provisions

- Sec. 3021. Temporary liberalization of tax-exempt housing bond rules.
- Sec. 3022. Repeal of alternative minimum tax limitations on tax-exempt housing bonds, low-income housing tax credit, and rehabilitation credit.
- Sec. 3023. Bonds guaranteed by Federal home loan banks eligible for treatment as tax-exempt bonds.
- Sec. 3024. Modification of rules pertaining to FIRPTA nonforeign affidavits.
- Sec. 3025. Modification of definition of tax-exempt use property for purposes of the rehabilitation credit.
- Sec. 3026. Extension of special rule for mortgage revenue bonds for residences located in disaster areas.
- Sec. 3027. Transfer of funds appropriated to carry out 2008 recovery rebates for individuals.

TITLE II—REFORMS RELATED TO REAL ESTATE INVESTMENT TRUSTS

Subtitle A—Foreign Currency and Other Qualified Activities

- Sec. 3031. Revisions to REIT income tests.
- Sec. 3032. Revisions to REIT asset tests.
- Sec. 3033. Conforming foreign currency revisions.

Subtitle B—Taxable REIT Subsidiaries

- Sec. 3041. Conforming taxable REIT subsidiary asset test.

Subtitle C—Dealer Sales

- Sec. 3051. Holding period under safe harbor.
- Sec. 3052. Determining value of sales under safe harbor.

Subtitle D—Health Care REITs

- Sec. 3061. Conformity for health care facilities.

Subtitle E—Effective Dates

- Sec. 3071. Effective dates.

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TITLE III—REVENUE PROVISIONS

Subtitle A—General Provisions

- Sec. 3081. Election to accelerate the AMT and research credits in lieu of bonus depreciation.
Sec. 3082. Certain GO Zone incentives.
Sec. 3083. Increase in statutory limit on the public debt.

Subtitle B—Revenue Offsets

- Sec. 3091. Returns relating to payments made in settlement of payment card and third party network transactions.
Sec. 3092. Gain from sale of principal residence allocated to nonqualified use not excluded from income.
Sec. 3093. Delay in application of worldwide allocation of interest.
Sec. 3094. Time for payment of corporate estimated taxes.

**DIVISION A—HOUSING FINANCE
REFORM**

Federal Housing
Finance
Regulatory
Reform Act of
2008.
12 USC 4501
note.

SEC. 1001. SHORT TITLE.

This division may be cited as the “Federal Housing Finance Regulatory Reform Act of 2008”.

SEC. 1002. DEFINITIONS.

(a) **FEDERAL SAFETY AND SOUNDNESS ACT DEFINITIONS.**—Section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502) is amended—

(1) in each of paragraphs (8), (9), (10), and (19), by striking “Secretary” each place that term appears and inserting “Director”;

(2) by redesignating paragraphs (16) through (19) as paragraphs (21) through (24), respectively;

(3) by striking paragraphs (13) through (15) and inserting the following:

“(19) **OFFICE OF FINANCE.**—The term ‘Office of Finance’ means the Office of Finance of the Federal Home Loan Bank System (or any successor thereto).

“(20) **REGULATED ENTITY.**—The term ‘regulated entity’ means—

“(A) the Federal National Mortgage Association and any affiliate thereof;

“(B) the Federal Home Loan Mortgage Corporation and any affiliate thereof; and

“(C) any Federal Home Loan Bank.”;

(4) by redesignating paragraphs (11) and (12) as paragraphs (17) and (18), respectively;

(5) by redesignating paragraph (7) as paragraph (12);

(6) by redesignating paragraphs (8) through (10) as paragraphs (14) through (16), respectively;

(7) in paragraph (5)—

(A) by striking “(5)” and inserting “(9)”; and

(B) by striking “Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development” and inserting “Federal Housing Finance Agency”;

(8) by redesignating paragraph (6) as paragraph (10);

(9) by redesignating paragraphs (2) through (4) as paragraphs (5) through (7), respectively;

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limitation determined under such section 305(a)(2) for the calendar year in which the loan is originated for a single-family residence.

SEC. 2202. COUNSELING ON MORTGAGE FORECLOSURES FOR MEMBERS OF THE ARMED FORCES RETURNING FROM SERVICE ABROAD.

10 USC 992
note.

(a) **IN GENERAL.**—The Secretary of Defense shall develop and implement a program to advise members of the Armed Forces (including members of the National Guard and Reserve) who are returning from service on active duty abroad (including service in Operation Iraqi Freedom and Operation Enduring Freedom) on actions to be taken by such members to prevent or forestall mortgage foreclosures.

(b) **ELEMENTS.**—The program required by subsection (a) shall include the following:

(1) Credit counseling.

(2) Home mortgage counseling.

(3) Such other counseling and information as the Secretary considers appropriate for purposes of the program.

(c) **TIMING OF PROVISION OF COUNSELING.**—Counseling and other information under the program required by subsection (a) shall be provided to a member of the Armed Forces covered by the program as soon as practicable after the return of the member from service as described in subsection (a).

SEC. 2203. ENHANCEMENT OF PROTECTIONS FOR SERVICEMEMBERS RELATING TO MORTGAGES AND MORTGAGE FORECLOSURES.

(a) **EXTENSION OF PERIOD OF PROTECTIONS AGAINST MORTGAGE FORECLOSURES.**—

(1) **EXTENSION OF PROTECTION PERIOD.**—Subsection (c) of section 303 of the Servicemembers Civil Relief Act (50 U.S.C. App. 533) is amended by striking “90 days” and inserting “9 months”.

(2) **EXTENSION OF STAY OF PROCEEDINGS PERIOD.**—Subsection (b) of such section is amended by striking “90 days” and inserting “9 months”.

(b) **TREATMENT OF MORTGAGES AS OBLIGATIONS SUBJECT TO INTEREST RATE LIMITATION.**—Section 207 of the Servicemembers Civil Relief Act (50 U.S.C. App. 527) is amended—

(1) in subsection (a)(1), by striking “in excess of 6 percent” the second place it appears and all that follows and inserting “in excess of 6 percent—

“(A) during the period of military service and one year thereafter, in the case of an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage; or

“(B) during the period of military service, in the case of any other obligation or liability.”; and

(2) by striking subsection (d) and inserting the following new subsection:

“(d) **DEFINITIONS.**—In this section:

“(1) **INTEREST.**—The term ‘interest’ includes service charges, renewal charges, fees, or any other charges (except bona fide insurance) with respect to an obligation or liability.

122 STAT. 2850

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50 USC app. 533
note.

“(2) OBLIGATION OR LIABILITY.—The term ‘obligation or liability’ includes an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage.”.

(c) EFFECTIVE DATE; SUNSET.—

(1) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUNSET.—The amendments made by subsection (a) shall expire on December 31, 2010. Effective January 1, 2011, the provisions of subsections (b) and (c) of section 303 of the Servicemembers Civil Relief Act, as in effect on the day before the date of the enactment of this Act, are hereby revived.

TITLE III—EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABAN- DONED AND FORECLOSED HOMES

42 USC 5301
note.

SEC. 2301. EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES.

(a) DIRECT APPROPRIATIONS.—There are appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year 2008, \$4,000,000,000, to remain available until expended, for assistance to States and units of general local government (as such terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) for the redevelopment of abandoned and foreclosed upon homes and residential properties.

(b) ALLOCATION OF APPROPRIATED AMOUNTS.—

State and
local
governments.

(1) IN GENERAL.—The amounts appropriated or otherwise made available to States and units of general local government under this section shall be allocated based on a funding formula established by the Secretary of Housing and Urban Development (in this title referred to as the “Secretary”).

Deadline.

(2) FORMULA TO BE DEvised SWIFTLY.—The funding formula required under paragraph (1) shall be established not later than 60 days after the date of enactment of this section.

(3) CRITERIA.—The funding formula required under paragraph (1) shall ensure that any amounts appropriated or otherwise made available under this section are allocated to States and units of general local government with the greatest need, as such need is determined in the discretion of the Secretary based on—

(A) the number and percentage of home foreclosures in each State or unit of general local government;

(B) the number and percentage of homes financed by a subprime mortgage related loan in each State or unit of general local government; and

(C) the number and percentage of homes in default or delinquency in each State or unit of general local government.

Deadline.

(4) DISTRIBUTION.—Amounts appropriated or otherwise made available under this section shall be distributed according to the funding formula established by the Secretary under paragraph (1) not later than 30 days after the establishment of such formula.

(c) USE OF FUNDS.—